



Commonwealth of Massachusetts
Executive Office of Energy & Environmental Affairs

Department of Environmental Protection

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Clean Energy Standard MassDEP Stakeholder Meeting Invitation

A market-based framework is needed to provide a clear signal to the electricity market to improve upon the cleaner energy portfolios of the last few years. One approach to be considered is a CPS [Clean Energy Performance Standard], which would require electricity suppliers to favor lower- and no-emissions sources in the mix of electricity delivered to their customers.

Massachusetts Clean Energy and Climate Plan for 2020, p. ES-10

Consistent with the *Clean Energy and Climate Plan*, and the requirement of reducing greenhouse gas (GHG) emissions by 80% by 2050, the Massachusetts Department of Environmental Protection (MassDEP) intends to implement a Clean Energy Standard (CES, formerly called a CPS).

Implementation of a CES would achieve the following outcomes:

- A CES would provide a long-term incentive to deliver increasing amounts of clean electricity to consumers in Massachusetts, and thereby move toward a stable and reliable energy system.
- The CES would ensure ongoing progress toward reducing greenhouse gas emissions by 80% by 2050, as required by the Massachusetts Global Warming Solutions Act of 2008.
- The CES would address the *Clean Energy Performance Standard* strategy in the *Massachusetts Clean Energy and Climate Plan for 2020*.
- A CES would complement other clean energy strategies to reduce the price increases and volatility associated with our dependence on fossil fuels, grow clean energy jobs, and improve the environment.

The purpose of this document, and the accompanying discussion draft regulation, is to facilitate stakeholder feedback on the design of a CES for Massachusetts, in addition to any other relevant information, such as general information related to potential costs and benefits of a CES.

Based on a review and analysis of potential CES designs conducted in 2013 by MassDEP, the Massachusetts Department of Energy Resources (DOER), and the Massachusetts Department of Public Utilities (DPU), with the assistance of Synapse Energy Economics, MassDEP has concluded that the most viable program structure for a CES in Massachusetts is a share-of-sales requirement for electricity suppliers. A share-of-sales requirement would be structured similarly to DOER's existing Renewable Portfolio Standard (RPS) program, but would include additional clean generation technologies not eligible for RPS, such as new hydroelectric generation and unforeseen technologies with low or no GHG emissions.

In addition to general input, MassDEP requests stakeholder comments on the following specific aspects of the CES: which generation technologies will count as clean energy, other than those already included in the RPS program; should eligibility be limited to new generators, or should eligible existing generators be included (and how is "new" defined); the compliance obligation of municipal utilities; and the stringency and timeline of emission reductions.

The discussion draft regulation places the questions above in the context of relevant regulatory language, and raises a number of technical issues for stakeholder consideration. MassDEP also requests stakeholder input on all aspects of the CES, including proposed revisions to associated greenhouse gas reporting requirements.

MassDEP, along with DOER and DPU, invite you to a stakeholder meeting to discuss all aspects of the CES. At the meeting, MassDEP will discuss program design options other than those listed above, and explain the rationale for the options included in the discussion draft regulation.

The meeting will be held at the time and location below. Please RSVP to climate.strategies@state.ma.us if you would like to attend, or if you do not plan to attend but would like to receive future communications about the CES. You may also send written comments to that address at any time.

Monday, October 27 2014
1:00 PM
MassDEP
1 Winter Street
Boston, MA